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FIRST COUNTRY COOPERATION FRAMEWORK FOR LIBERIA, 2000-2002

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I. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE

1. The first country cooperation framework (CCF) for Liberia sets out the areas of focus for cooperation between the Government of Liberia and UNDP over the three-year period 2000-2002. This is against the backdrop of the country's emergence from the seven-year civil war and the successful transition to the democratically elected Government. The CCF is accordingly situated within the context of the Government's national reconstruction programme, in which it sets out its strategy of accelerating the transition from emergency to sustainable longer-term development. In line with the mandate and comparative advantages of UNDP, the CCF is the result of broad consultations between the Government, UNDP, other development partners, including United Nations specialized agencies, the European Union, the United States Agency for International Development (USAID), the International Monetary Fund (IMF), the World Bank, as well as non-governmental organizations (NGOs), civil society and the private sector. The situation analysis also draws extensively on the results of the first common country assessment (CCA), conducted for Liberia in 1998 by the United Nations Country Team in Liberia.

2. Liberia's seven-year civil war aggravated the country's long-term economic and social decline, which started in the late 1970s. The impact of the war is reflected in the substantial loss of human life, displacement of the population, widespread destruction of economic and social infrastructure, disruption of productive and commercial activities and further deterioration of the human development situation in the country. Governance institutions, at both the national and local levels, have also been seriously weakened.

3. The current Government is, therefore, faced with daunting reconstruction and development challenges. Close to half of Liberia's pre-war population of 2.5 million was displaced, out of which about 750,000 sought refuge in neighbouring countries, and over 150,000 people died. Since most of the displaced people originated from the rural areas, this involuntary population movement adversely affected the rural economy. The displacement of the population from rural to urban centres also aggravated social and health problems in the urban areas, such as overcrowding, unemployment and the spread of communicable diseases, including HIV/AIDS. To date, about 160,000 people have been resettled with assistance from the international community and approximately another 200,000 have resettled spontaneously. It is apparent from these figures that much more needs to be done on the resettlement and the reintegration front.

4. The displacement of people and the accompanying loss of sources of livelihood, combined with widespread destruction of social sector infrastructure, has contributed significantly to deterioration in the poverty situation, as reflected in the results of the 1998 CCA. This is in terms of both the income and non-income measurements as well as the gender dimensions of poverty. The data indicate that about 80 per cent of the population subsist below the poverty line (i.e., on less than $1 a day). This is further corroborated by the fact that Liberia's per capita income declined sharply from about $450 in the 1970s to just about $220 currently. Regarding the qualitative measure of poverty, access to basic social services has been minimal, owing to

the widespread destruction of health, education and community infrastructures and facilities during the war.

5. Women and children have borne the brunt of Liberia's civil war. The historically disadvantaged position of the country's womenfolk has been exacerbated by the prolonged civil war. The breakdown in social services and educational facilities has resulted in higher drop-out and illiteracy rates among young girls. They have thus been deprived of opportunities to acquire skills to engage in economically gainful activities. The CCA data indicates that the female literacy rate is 26 per cent compared to 48.9 per cent for males; only 26.5 per cent of college graduates were female. Gender disparities are also apparent in the participation rates in governance institutions and public services: women currently hold only 7.5 per cent of the top supervisory and managerial positions and 1 per cent of cabinet positions.

6. The combination of poverty, civil strife and the lack of a strong environmental protection policy in the past years, especially during the war, has contributed to a number of environmental problems. These include rapid depletion of forest resources through unchecked gathering of wood fuel and illegal and indiscriminate logging without due regard to reforestation; uncontrolled mining activities that contribute to soil erosion; poor sanitary conditions in urban areas, notably in Monrovia, aggravated by the influx of people; and coastal erosion. Owing to the lack of strict enforcement of standards, pollution from industrial activities is also emerging as a potentially significant environmental problem. In the light of its limited surveillance capacity, the Government is increasingly concerned about the over-exploitation of the country's fisheries resources and the possible dumping of toxic waste in Liberia's coastal waters.

7. Given that Liberia has just emerged from a prolonged crisis, preceded by over a decade of decline, the national development objectives are based on the recognition of the need to address, in an innovative and integrated manner, the underlying causes of the long-term declines and the inequalities in the social and economic spheres. This approach underscores the importance of reconstructing and rebuilding the economy and society within a peaceful and democratic environment while expanding choices for the majority of the people. In the light of this, the main national development objectives are to:

(a) Ensure durability of peace and security as well as conflict prevention;

(b) Consolidate the fledgling democracy through national reconciliation, adherence to the rule of law, ensuring respect for human rights and strengthening governance institutions;

(c) Resettle and reintegrate most of the displaced population and ex-combatants, reactivate the rural economy and create sustainable livelihood sources, especially for the poor;

(d) Lay the foundation for sustainable, higher rates of poverty-reducing growth and development.

II. RESULTS AND LESSONS OF PAST COOPERATION

8. The fourth country programme for Liberia (1987-1991) had three primary objectives: (a) improve the management of the public sector; (b) develop agriculture and the rural sector; and (c) support private-sector initiatives. The programme was in its third year of implementation when the civil conflict erupted in December 1989. At the request of the Government, UNDP agreed to extend the programme at the end of 1991, owing to the persistence of the crisis, which had prevented the preparation of a new country programme. UNDP cooperation was, therefore, provided on a project-by-project basis from 1990 to 1998 in four main areas: (a) provision of humanitarian and relief support; (b) resettlement and socio-economic reintegration of the displaced population; (c) governance and capacity-building; and (d) reconstruction planning.

9. In general, UNDP played an important role in the coordination of humanitarian assistance and provided effective support to the peace-building efforts and the electoral process, which ushered in the current democratically elected Government. It also provided direct and indirect support to the resettlement and reintegration of displaced people and ex-combatants through humanitarian assistance, the rehabilitation of community infrastructure and the creation of sustainable livelihood opportunities, particularly for the poor. Furthermore, it provided cooperation for capacity-building in some of the key government institutions and NGOs as well as to post-war reconstruction planning and to the Government's resource mobilization efforts. In addition, UNDP supported environmental assessment studies and activities geared towards promoting gender awareness.

10. The specific results of UNDP cooperation with Liberia during the review period include the following: (a) effective coordination and provision of humanitarian assistance, in conjunction with United Nations specialized agencies, to approximately 200,000 internally displaced people; (b) the creation of livelihood sources through the provision of micro-grant (through the Trickle-Up Programme) and microcredit facilities, which in combination have benefited over 35,000 war-affected persons, thereby contributing to social stabilization and poverty alleviation. A notable feature of both schemes is the high proportion of women among the beneficiaries (65 per cent for the micro-grant programme and 98 per cent in the case of the microcredit scheme); (c) under a UNDP-supported vocational training and skills-development scheme, about 6,000 people (including ex-combatants) received vocational and skills-development training and some 300 small enterprise groups were formed and supported with start-up tools and equipment; (d) in the area of capacity-building for good governance and improved delivery by the public sector, UNDP provided technical expertise and logistical support to the electoral process, put in place a governance project to assist in the consolidation of peace and democracy and provided a combination of logistical support and technical cooperation, including through the Transfer of Knowledge through Expatriate Nationals (TOKTEN) scheme, to at least 11 key government ministries and agencies.

11. The main lessons learned from UNDP cooperation during the above transition period are outlined as follows:

(a) The emergency response mechanisms adopted by donors, NGOs and United Nations specialized agencies, including a UNDP project-by-project approach approved by the Executive Board, during the civil conflict, which proved effective and responsive under the circumstances, underscore the importance of a flexible application of operational policies and procedures under emergency conditions;

(b) The relative success of the micro-grant and microcredit facilities, even in evolving emergency/crisis conditions, confirms their potentially important role in the cost-effective creation of sustainable livelihoods, poverty reduction and promotion of gender equity, all of which can contribute significantly to peace-building efforts;

(c) Although the TOKTEN programme achieved positive results in facilitating the return and reintegration of a number of Liberian professionals, the results are sustainable only if the scheme is well integrated into long-term capacity-building programmes of host institutions;

(d) The retention and effective utilization of human resources developed through capacity-building activities require adequate complementary ingredients such as incentives, logistical support and a conducive working environment;

(e) The active participation of NGOs, community-based organizations (CBOs) and people at the community level in the planning and implementation of reconstruction and development initiatives is essential to complementing limited or eroded Government capacities;

(f) The need for United Nations executing agencies also to adopt more flexible operational procedures in order not to impact negatively on project and programme delivery is essential to the timely attainment of projected programme objectives;

(g) Incorporating sustainability arrangements within programmes/projects at the design stage, even in crisis conditions, is crucial for attaining longer-term objectives.

III. PROPOSED STRATEGY AND THEMATIC AREAS

12. The underlying goals of the national reconstruction and development programme are to consolidate Liberia's hard-won peace and incipient democratic process as a precondition for durable stability as well as to lay the foundations for long-term development and sustainable poverty reduction.

13. UNDP will gear its interventions in the CCF to supporting the national development goals and will, therefore, assist the country to rebuild fractured communities and support capacity-building that contributes most effectively to peace-building, conflict prevention and accelerating the transition from emergency to sustainable human development. In this regard and taking into account the UNDP mandate and the lessons learned from past cooperation, UNDP will lay special emphasis on promoting the entrenchment of democracy and the rule of law, poverty reduction, the full reintegration of displaced people and

ex-combatants, the promotion of gender equity and environmental protection and regeneration, with the principles of good governance underpinning all of these activities.

14. The Government will also strive to foster complementarity between UNDP cooperation and the interventions of other United Nations specialized agencies, donors, international financial institutions and NGOs. The national reconstruction programme provides the framework for linking UNDP cooperation with that of other development partners; joint programming constitutes an important instrument to achieve this linkage. In this connection, the Government is particularly encouraged by the collective effort of the United Nations system in producing the 1998 CCA, which provides a solid basis for joint programming by the organizations of the United Nations system and for strengthening the partnership with the Government. The active encouragement of community participation in all the programme areas is also a key strategic element of the programme of cooperation.

15. Furthermore, UNDP is expected to continue to support the Government in the translation of commitments made at United Nations-supported global conferences into concrete plans and programmes. In addition, UNDP will support the efforts of the Government to revitalize and strengthen subregional and regional cooperation, particularly within the context of the Economic Community of West African States and Mano River Union.

16. Taking into account the foregoing, the Government proposes two major areas of focus and entry points in the CCF: (a) poverty reduction and sustainable livelihoods and (b) good governance and economic management. These two areas are critical to the objectives of the national reconstruction programme and are consistent with the UNDP mandate. They are also interrelated and mutually reinforcing. Good governance, including sound economic management, is essential to consolidating peace and democracy in Liberia as well as to creating the conditions for poverty-reducing growth and development. On the other hand, a significant reduction in the current high level of poverty in Liberia is crucial to reinforcing peace-building efforts and ensuring accelerated social and economic recovery.

A. Poverty reduction and sustainable livelihoods

17. The major issues to be addressed in this programme area include weak government capacity for formulating and implementing poverty-reducing growth programmes; massive displacement of the population; considerable loss of livelihood sources and the attendant high unemployment rate as well as devastated social services in both rural and urban areas. These factors have also contributed to exacerbating gender inequality and environmental degradation.

18. At the upstream level, UNDP will provide cooperation in building the capacity of the Government, particularly through the Ministry of Planning and Economic Affairs and the sectoral ministries concerned (notably those of Health, Education and Rural Development), for formulating poverty-reducing policies and programmes that will promote the active participation of communities in poverty

reduction. In the light of the country's current weak statistical database, an important element of UNDP cooperation for the formulation of poverty programmes will be to support more detailed poverty profile studies and to prepare national human development reports. The latter will facilitate annual tracking and monitoring of poverty-reduction programmes.

19. At the downstream level, UNDP cooperation will continue to concentrate on creating employment and sustainable livelihood opportunities through the expansion and diversification of ongoing UNDP-supported micro-grants (through the Trickle-Up Programme), microcredit and vocational and skills training schemes; the continuation and consolidation of support to the rehabilitation of rural infrastructure that is supportive of resettlement and reintegration; and the introduction of rural settlements and housing schemes. In addition, the capacities and resources of selected NGOs and CBOs will be strengthened to enhance their participation in poverty-reduction activities.

20. In the area of gender equity, UNDP will join with the United Nations Development Fund for Women to build on the earlier efforts to promote the empowerment of women through increased participation in decision-making and the creation of economic opportunities for them. The specific problems of war-affected women will be addressed through targeted interventions; the emphasis will, however, shift to gender mainstreaming by providing support to capacity-building in socio-economic and gender analysis for government officials, legislators, members of civil society and the private sector; and to increasing access by women to reproductive health, education and vocational training, as well as to productive assets such as microfinance.

21. In the area of environmental protection and management, the principal entry point for UNDP cooperation will be strengthening the policy framework and establishing an appropriate institutional set-up for promoting environmental awareness and overseeing the implementation of environmental protection and management programmes. UNDP cooperation will also be utilized in promoting high-impact environmental regeneration and protection activities, including those that incorporate income generation, particularly at the community level.

Expected outputs and outcomes

22. At the upstream level, the expected outputs from this programme area include (a) a policy framework that is more pro-poor, as reflected in the five-year national development plan and various sectoral plans expected to be in place by mid-2000 and (b) a comprehensive, reliable database for monitoring the impact of poverty-reducing programmes, including annual national human development reports. At the downstream level, the expected outputs and outcomes include the direct creation of sustainable livelihoods for 15,000 beneficiaries of skills training, micro-grant, microcredit and business training. Ultimately, this will improve the livelihood of 105,000 persons, the majority of whom will be women, youths and other war-affected people. Under the gender-equity area, over 150 Government policy makers and 5,000 women leaders will have received specialized training in socio-economic and gender analysis, which will facilitate gender-mainstreaming. The government capacity to coordinate effectively gender-equity initiatives will also have been enhanced. In the area of reintegration, about 100 community schools and clinics will have been

rehabilitated and 1,000 rural housing units constructed. This will support the full reintegration of over 200,000 people. Capacity-building for at least 100 NGOs and 1,000 communities will have been supported and will result in enhanced community participation in poverty-reducing programmes.

23. Under the support area for environmental protection, a national agency will have been established and an effective legislative and sound policy framework for environmental protection and management evolved.

Expected impact and performance indicators

24. The interventions outlined under this thematic area will contribute to poverty reduction, thereby reinforcing peace-building and recovery efforts. The sustainability of community-level interventions will be enhanced through the capacity-building activities at the local level, including NGOs and CBOs. This programme component will also foster the development of an entrepreneurial "job-creation" culture. Overall, it is intended to create a virtuous cycle between poverty reduction, gender equity and environmental protection and management.

25. Measurements of impact will be based on feasible rates of reducing the incidence, severity and depth of poverty as measured by the CCA; the magnitude of income opportunities and jobs created; the rate of resettlement of displaced persons; the improvement of the level of awareness towards gender equity and improved participation rates of women in governance and mainstream economic activities; increased awareness and strengthened institutional and policy frameworks for environmental protection and management. Work is already under way to establish the necessary baseline data that will be available in early 2000.

B. Good governance and economic management

26. Under the good governance subprogramme area, UNDP aims to reinforce government efforts to consolidate peace and democracy, restore the rule of law and ensure transparency and accountability in the public sector. The specific focus areas for UNDP intervention are: (a) promotion of national reconciliation and conflict resolution, with a focus on institutional support to the National Reconciliation and Reunification Commission and activities geared towards fostering national reconciliation; (b) strengthening the legislature and judiciary through the training of support staff and logistical support; and (c) empowerment of civil society. In recognition of the important role that NGOs and civil society have played in consolidating democracy and monitoring respect for human rights, UNDP will provide assistance to institutions, organizations and activities of NGOs and CBOs that empower civil society to interact more effectively and constructively with the State.

27. In the subprogramme area of economic management, the aim is to contribute to improving the country's capacity for sound economic management and policy-coordination capacity through: (a) strengthening strategic planning, targeting particularly the Ministry of Planning and Economic Affairs; (b) restoring national capacity to generate and analyse statistics on a timely basis, notably in the areas of poverty profiles, national accounts and household surveys;

(c) building government capacity, through the Ministry of Finance, for analysing and managing external debt; (d) strengthening government capacity for resource mobilization, including enhancing internal revenue collection, and aid coordination; and (e) reinforcing institutional support activities for private sector development.

Expected outputs and outcomes

Good governance

28. In the area of good governance, the expected outputs and outcomes are enhanced participatory governance; a strengthened legislature and judiciary, reflected in a legislative process that is more effective and better informed and a process of dispensing justice expeditiously through better trained support personnel, exposure to best practices and enhanced logistical support; a police force that is better equipped and more professional, which will contribute to reduced incidences of human rights abuses; revitalized systems for accountability and transparency in the public sector, reflected in increased internal and external confidence within the public sector; a strengthened National Reconciliation and Reunification Commission and various public-awareness programmes in support of reconciliation, conflict resolution and reunification implemented throughout the country.

Economic management

29. In the subprogramme area of economic management, the expected outputs and outcomes will include a strengthened and better coordinated system for strategic planning and economic policy formulation; revised and updated operational documents on administrative policy, procedures and work plans for key public sector institutions; capacity-building requirements of key economic management institutions met (Ministry of Planning and Economic Affairs, Ministry of Finance, National Bank and Bureau of Budget) and skills of about 50 per cent of their staff upgraded, particularly in the areas of budgeting, revenue collection, debt analysis and management and statistical data collection and processing; national institutions promoting the private sector strengthened (Ministry of Commerce and Industry, National Investment Commission, Chamber of Commerce and Industry, Liberia Business Association); and a strengthened system for internal and external resource mobilization and aid coordination.

Expected impact and performance indicators

30. The proposed UNDP support in the programme area of good governance and economic management will contribute to fostering the rule of law and respect for human rights, stability, sound macroeconomic environment and broad-based economic growth. Human resource capacity in the key government institutions will be strengthened through training, enhanced logistical support and improved operational environment. Government capacity for strategic planning and coordinated development policy, which will aim at ensuring a clear sense of direction for the reconstruction and development process, will be enhanced. Government capacity for monitoring and evaluating development programmes and projects is also expected to be strengthened.

31. The impact of UNDP cooperation will be measured by: reduction of tension in Liberian society; expeditious dispensation of justice; improved public confidence in the security forces; reduced incidents of human rights abuses; increased civil society participation in governance; improvement in the level of transparency and accountability in the public sectors, contributing to restoring donor confidence; sound and better-coordinated economic policies, resulting in an increasingly favourable environment for private-sector development; and improved coordination and utilization of external aid and public funds.

IV. MANAGEMENT ARRANGEMENTS

A. Execution and implementation

32. UNDP interventions are expected to reinforce national ownership of Liberia's reconstruction and development initiatives. In this connection, the Government appreciates the relevance of the programme approach and national execution in the implementation of the CCF. However, in view of Liberia's recent emergence from crisis, with extensive erosion of national capacity, the Government recognizes that the national execution modality and programme approach can be introduced only gradually. In the meantime, training programmes designed to enhance the programme approach and national execution will be put in place.

33. NGOs and local institutions as well as the private sector will be encouraged to participate in the implementation of projects and programmes, especially where government capacity is assessed to be limited. United Nations specialized agencies will continue to be cooperating agencies for the provision of specialized and technical support services in national execution programmes. More recourse will be made to United Nations volunteers, who have proved to be sources of cost-effective technical cooperation in Liberia in the past.

34. The TOKTEN modality, which in the case of Liberia, has been modified to include the recruitment of national professionals in the public service, will be expanded and will be an option available for each project and programme. The International Organization for Migration scheme will also be utilized to bring in a critical mass of expatriate Liberian expertise. The technical cooperation among developing countries modality will be used by programmes that have the potential to benefit from it.

B. Follow-up and evaluation

35. For monitoring and evaluation, annual reviews of the CCF will be carried out jointly by the Government and UNDP to monitor implementation and to ensure that the CCF is responsive and adaptive to changing national priorities. A mid-term review will be conducted after the final review of the national reconstruction programme, involving a broad spectrum of development partners, to ensure that the programme remains relevant to development needs and that the modalities used are appropriate. Regular project and programme evaluation will be carried out under the CCF. As part of a strategy to improve the monitoring of impact, performance indicators will be vigorously applied for both policy and

community-level interventions. More specific performance indicators will be developed for individual programmes and projects.

C. Resource mobilization

36. After assisting the Government in the preparation of the national reconstruction programme and the organization of the special donors conference on it, UNDP is providing valuable assistance in the follow-up activities. It is anticipated that UNDP resources will also continue to play a catalytic role in enhanced internal resource mobilization efforts. In this connection, UNDP funds will be used as seed capital to facilitate the implementation of programmes that have the potential to attract multidonor support. A concerted effort will be made to access various funds such as the Global Environment Facility, Capacity 21 and the other bilateral trust funds to support programme implementation. UNDP will be expected to assist in exploring alternative resource mobilization strategies in facilitating government resource mobilization efforts.

37. UNDP will also complement the resource mobilization efforts by continuing to organize joint donor meetings and sectoral round-table meetings with the Bretton Woods institutions.

Annex

RESOURCE MOBILIZATION TARGET TABLE FOR LIBERIA (2000-2002)

(In thousands of United States dollars)

Source	Amount	Comments
UNDP CORE FUNDS		
Estimated IPF carry-over into 2000	(1 687)	
TRAC 1.1.1	2 300	Assigned immediately to country.
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
TRAC 1.1.3	3 716	
Other resources		
SPPD/STS	324	
Subtotal	4 653[a]	
NON-CORE FUNDS		
Government cost-sharing	-	
Sustainable development funds	2 250 of which:	
GEF	2 000	
Montreal Protocol	250	
Third-party cost-sharing	6 000	
Funds, trust funds and other	450 of which:	
UNIFEM	250	
UNSO	100	
UNV	100	
Subtotal	8 700	
GRAND TOTAL	13 353[a]	

* Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: GEF = Global Environment Facility; SPPD = support for policy and programme development; STS = support for technical services; TRAC = target for resource assignment from the core; UNIFEM = United Nations Development Fund for Women; UNV = United Nations Volunteers; and UNSO = Office to Combat Desertification and Drought.